

CONFIDENTIAL
Release Date _____

DOWLING PETROLEUM 1 STATE 841
SW SW 16-8S-20W YUMA CO.

OIL AND GAS CONSERVATION COMMISSION
STATE OF ARIZONA

PERMIT 841

REPORT ON PROPOSED OPERATIONS

DOWLING PETROLEUM, INC.

P. O. Box 3846
Midland, TX 79401

Phoenix, ARIZONA
May 31, 1983

Your proposal to drill well 1 State _____
A.P.I. No. 02-027-20034, Section 16, T. 8S, R. 20W, G&SR B. & M.
field, _____ area, _____ pool,
Yuma County, dated 4/20/83, received 5/12/83 has been examined in conjunction with records
filed in this office.

THE PROPOSAL IS APPROVED PROVIDED:

1. Drilling mud consistent with sound drilling practices shall be used at all times.
2. The well is cased and cemented in such a manner as to protect all zones that contain oil, gas, or fresh water, so as to provide well control during drilling operations.
3. Blowout prevention equipment shall be installed, used, maintained, and tested in a manner necessary to assure well control throughout the drilling, completion or abandonment of the well.
4. The status of completed drilling operations (Form 25) shall be filed with the Commission on a timely basis.
5. Samples of all cores and cuttings of this well shall be shipped or mailed, charges prepaid, to:
 - a. Oil & Gas Conservation Commission, Phoenix office.
 - b. Bureau of Geology & Mineral Technology, University of Arizona
845 N. Park, Tucson, AZ 85719
6. THIS COMMISSION SHALL BE NOTIFIED:
 - a. Immediately when drilling operations commence.
 - b. To witness the running and cementing of the surface casing.
 - c. To inspect the installed blowout prevention equipment prior to drilling below the shoe of the surface casing at 750 feet.

BOND SLR 7503838

A. K. BOSS, Executive Director

By R. A. Yana
Enforcement Director

A copy of this report and the proposal must be posted at the well site prior to commencing operations.

Records for work done under this permit are due within 30 days after the work has been completed or the operations have been suspended.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ☒

RE-ENTER OLD WELL ☐

Dowling Petroleum, Inc.

(915) 686-0301

NAME OF COMPANY OR OPERATOR

P. O. Box 3846

Midland,

Texas

79702

Address

City

State

Joe I. Salazar Drilling, Inc.

Drilling Contractor

P. O. Box 916

Grants, New Mexico

87020

(505) 287-2163

Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

State 13-86275

Well number

State-1

Elevation (ground)

179.18 GL

Nearest distance from proposed location to property or lease line:

330 FWL

feet

None

feet

Distance from proposed location to nearest drilling completed or applied for well on the same lease:

Number of acres in lease:

128.71

Number of wells on lease, including this well, completed in or drilling to this reservoir:

None

If lease, purchased with one or more wells drilled, from whom purchased:

N/A

Name

Address

Well location (give footage from section lines)

330 FWL, 330 FSL

Section—township—range or block and survey

16-T8S, R20W

Dedication (Comply with Rule 105)

S. 1/4 SW 1/4 80 Acs.

Field and reservoir (if wildcat, so state)

Wildcat

County

Yuma

Distance, in miles, and direction from nearest town or post office

10 miles SE (Wellton)

Proposed depth:

5,000 ft.

Rotary or cable tools

Rotary

Approx. date work will start

July 1, 1983

Bond Status **BLANKET BOND**

Organization Report

Filing Fee of \$25.00

Amount

On file X

Or attached

Attached X

Remarks:

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Agent of the

Dowling Petroleum, Inc.

(company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

April 20, 1983

Date

Permit Number:

841

Approval Date:

5-31-83

Approved By:

R. A. Yfana

Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter

File Two Copies

Form No. 3

(Complete Reverse Side)

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ☒

RE-ENTER OLD WELL ☐

Dowling Petroleum, Inc.

(915) 686-0301

NAME OF COMPANY OR OPERATOR

P. O. Box 3846

Midland,

Texas

79702

Address

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Drilling Contractor

P. O. Box 916

Grants, New Mexico 87020

(505) 287-2163

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Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

None

feet

Number of acres in lease:

128.71

Number of wells on lease, including this well, completed in or drilling to this reservoir:

None

If lease, purchased with one or more wells drilled, from whom purchased:

N/A

Name

Address

Well location (give footage from section lines)

330 FWL, 330 FSL

Section--township--range or block and survey

16-T8S, R20W

Dedication (Comply with Rule 105)

S₁SW₄ 80 Acs.

Field and reservoir (if wildcat, so state)

Wildcat

County

Yuma

Distance, in miles, and direction from nearest town or post office

10 miles SE (Wellton)

Proposed depth:

5,000 ft.

Rotary or cable tools

Rotary

Approx. date work will start

July 1, 1983

Bond Status **BLANKET BOND**

Organization Report

Filing Fee of \$25.00

Amount

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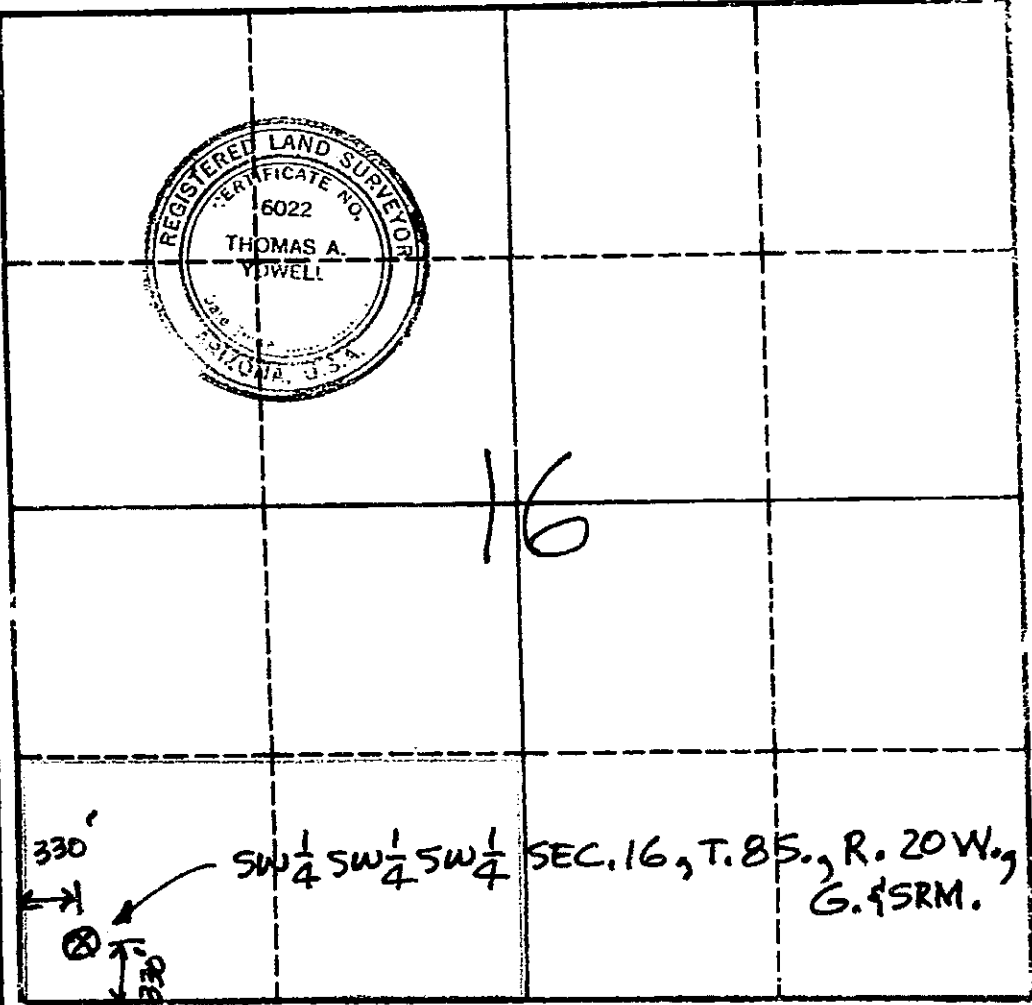
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

Form No. 3

(Complete Reverse Side)

1. Operator shall outline the dedicated acreage for both oil and gas wells on the plat.
2. A registered professional engineer or land surveyor registered in the State of Arizona or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
3. All distances shown on the plat must be from the outer boundaries of the Section.
4. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES X NO _____
5. If the answer to question four is "no," have the interests of all the owners been consolidated by common action agreement or otherwise? YES _____ NO _____ If answer is "yes," Type of Consolidation _____
6. If the answer to question four is "no," list all the owners and their respective interests below

Owner	Land Description



16

330' → SW 1/4 SW 1/4 SW 1/4 SEC. 16, T. 8S., R. 20W., G. 1SRM.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

CERTIFICATION

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

John J. Karabees
Name: John J. KARABEES

Position: AGENT

Company: DOWLING PETROLEUM, INC.

Date: 4-20-83

I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: APR. 18, 1983

Registered Professional Engineer and/or Land Surveyor

Thomas A. Yowell
Certificate No. L.S. #6022

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	
9 5/8ths"	36#	K-55	0	750'	0'-750'	500	Class H
5" liner	14#	K-55	750'	5000'	750'-5000'	400	Class H



PERMIT TO DRILL

This constitutes the permission and authority from the
OIL AND GAS CONSERVATION COMMISSION,
STATE OF ARIZONA,

To: DOWLING PETROLEUM, INC.
(OPERATOR)

to drill a well to be known as

1 STATE
(WELL NAME)

located 330' FROM WEST LINE, 330' FROM SOUTH LINE

Section 16 Township SS Range 20W, YUMA County, Arizona.

The S $\frac{1}{2}$ SW $\frac{1}{4}$ of said
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled
in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 31st day of MAY, 19 83.

OIL AND GAS CONSERVATION COMMISSION

By R. G. [Signature]
Enforcement EXECUTIVE DIRECTOR

PERMIT

00941

RECEIPT NO.

A.P.I. NO. 02-027-20035

State of Arizona
Oil & Gas Conservation Commission
Permit to Drill

FORM NO. 27

SEE ATTACHED REPORT ON PROPOSED OPERATIONS



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
1645 WEST JEFFERSON, SUITE 420
PHOENIX, ARIZONA 85007
PHONE: (602) 255-5161

June 2, 1983

Fireman's Fund Insurance Company
P. O. Box 33009
Phoenix, Arizona 85067

Re: Blanket Bond No. SLR 7503838

Gentlemen:

Subject bond has been approved by this Commission for state-wide drilling of oil and gas wells by Dowling Petroleum, Inc.

This bond will now cover Well No. 1 State, drilled in Section 34-T10S-R23W under Bond No. SLR 7503876.

If you have any questions on this matter, please call.

Sincerely,

R. A. Ybarra
R. A. Ybarra
Enforcement Director

/kb

cc: Dowling Petroleum, Inc.

June 1, 1983

Dowling Petroleum, Inc.
P. O. Box 3846
Midland, Texas 79702

Re: P/N 841
Well No. 1 State

Gentlemen:

Enclosed are approved Application for Permit to Drill, approved Performance Bond, Permit to Drill, Report on Proposed Operations and receipt for referenced well.

If we may be of further service, please advise.

Sincerely,

R. A. Ybarra
Enforcement Director

/kb

Enclosures

4-20-81	25.00		5/31/83	State of Arizona	Account 841	KB	
BANK TRANSIT NO.	\$ CHECKS	\$ CASH	NET	DATE	NAME	DESCRIPTION	RECEIVED BY
<small>IF (CIRCLED) INDICATES CASH RETURNED FOR ADJUSTMENT TO NET AMOUNT OF ACTUAL PAYMENT</small>							<small>INVALID WITHOUT SIGNATURE</small>

OIL AND GAS CONSERVATION COMMISSION
 STATE OF ARIZONA
 1645 WEST JEFFERSON, SUITE 420
 PHOENIX, ARIZONA 85007

2413

RETAIN THIS RECEIPT
 FOR YOUR RECORDS

State Bar
 SIGNATURE

PERFORMANCE BOND
KNOW ALL MEN BY THESE PRESENTS

RECEIVED
MAY 27 1983

RECEIVED

MAY 12 1983

O & G CONS. COMM.

O & G CONS. COMM.

Bond Serial No. SLR 7503838

That we: DOWLING PETROLEUM, INC.

of the County of MIDLAND in the State of TEXAS

as principal, and FIREMAN'S FUND INSURANCE COMPANY

of P.O. BOX 33009, PHOENIX, ARIZONA 85067

AUTHORIZED TO DO BUSINESS WITHIN THE STATE OF ARIZONA.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of TWENTY FIVE THOUSAND DOLLARS (\$25,000) lawful money of the United States, for which payment, well and truly to be made, we bind ourselves and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation are that, whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State, to-wit:

BLANKET

(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the Commission, especially with reference to the requirements of A.R.S. § 27-516, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil and Gas Conservation Commission all notices and records required by said Commission, then in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, this obligation is void; otherwise it shall remain in full force and effect.

Whenever the principal shall be, and declared by the Oil and Gas Conservation Commission in violation of the Laws of this State and the rules, regulations and orders of the Commission, the surety shall promptly:

1. Remedy the violation by its own efforts, or
2. Obtain a bid or bids for submission to the Commission to remedy the violation, and upon determination by the Commission and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Commission, and make available as work progresses sufficient funds to pay the cost of remedying the violation; but not exceeding, including other costs and damages for which the surety may be liable hereunder, the amount set forth in the first paragraph hereof.

Liability under this bond may not be terminated without written permission of this Commission.

WITNESS our hands and seals, this 5TH. day of MAY, 1983.

PRESIDENT, DOWLING PETROLEUM, INC.

Principal

WITNESS our hands and seals, this 5TH. day of MAY, 1983.

FIREMAN'S FUND INSURANCE COMPANY

BY:

BRIEN H. BUTLER,

Surety ATTORNEY-IN-FACT

(Surety, Resident Arizona Agent
If issued in a state other than Arizona)

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved
Date

5-31-83

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

By:

R. A. Zbarana

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Bond

File Two Copies

Form No. 2

Permit No. 841

ORGANIZATION REPORT

RECEIVED

FEB 2 1983

Full Name of the Company, Organization, or Individual

DOWLING PETROLEUM, INC.

O & G CONS. COMM.

Post Office Address (Box or Street Address)

P. O. Box 3846 Midland, Texas 79702

Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)

Corporation

Purpose of Organization (State type of business in which engaged)

Oil and Gas Exploration and Production

If a reorganization, give name and address of previous organization.

If a foreign corporation, give (1) State where incorporated	(2) Name and post office address of state agent	(3) Date of permit to do business in state
Texas	Jerry L. Haggard 2600 North Central Avenue Phoenix, Arizona 85004	January 21, 1983
Principal Officers or Partners (if partnership) NAME	TITLE	POST OFFICE ADDRESS
Paul L. Dowling, Jr.	President and Director	P. O. Box 3846 Midland, Texas 79702
Joe C. Richardson, Jr.	Chairman of the Board, Treasurer and Director	P. O. Box 8246 Amarillo, Texas 79109
Joe C. Richardson, III	Director	P. O. Box 8246 Amarillo, Texas 79109
Susan Boyd	Secretary	P. O. Box 8246 Amarillo, Texas 79109
Cindy Thompson	Assistant Secretary	P. O. Box 3846 Midland, Texas 79702
Sam E. Bakke	Vice President	P. O. Box 3846 Midland, Texas 79702

DIRECTORS NAME	POST OFFICE ADDRESS
Paul L. Dowling, Jr.	P. O. Box 3846 Midland, Texas 79702
Joe C. Richardson, Jr.	P. O. Box 8246 Amarillo, Texas 79109
Joe C. Richardson, III	P. O. Box 8246 Amarillo, Texas 79109

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the

Dowling Petroleum, Inc. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

Date

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Organization Report
File One Copy

Form No. 1

Failure to comply with A.R.S. 33-401 (the so-called Blind Trust Law) may render this assignment void. Strict compliance with the instructions on the reverse hereof may assist you to avoid that result.

APPLICATION TO ARIZONA STATE LAND DEPARTMENT (hereinafter called ASLD) TO ASSIGN AND FOR ASSUMPTION OF INTEREST, RIGHT OR PRIVILEGE IN STATE LANDS.

acres, more or less, to Dowling Petroleum, Inc.
Assignee, and as an inducement to ASLD's approval of this assignment, Assignor represents to ASLD that the name,
address, age, citizenship and marital status of each of the beneficiaries, principals or wards for whom the Assignor
hold and presently holds title in said instrument are:

and the assignor identifies the trust or other agreement under which the undersigned holds title as n/a
or the proper description by reference to book, page and document number of file of
the instrument, order, decree or other writing, which is of record in the County in which the related land is located
to which such matters shall appear is as follows: n/a

The said Assignee: Dowling Petroleum, Inc.
and Assignee's heirs, successors and assigns, all right, title, interest and claim of the Assignor in and to the above
described interest, right or privilege and in and to such part or all of said ASLD Oil and Gas Lease
instrument as is necessary to effect said assignment.

Assignor AZTX EXPLORATION, INC.
By: John J. Katskeas, President

5513 North 79th Place, Scottsdale, Arizona 85253
Address

NY Commission Expires March 27, 1984

Notary Public **Ginette H. Karabees**

The undersigned, Dowling Petroleum, Inc. (hereinafter called Assignor) of Midland County of Midland State of Texas and being n/a years of age, and a citizen of the United States and being otherwise qualified to hold the interest of Assignor assigned above to Assignee, does hereby apply for the transfer and assignment to the Assignee of all of the right, title and interest of the Assignor as described above, together with the right of Assignee thereafter to hold the same under the terms of said instrument, and as an inducement to ASLD's approval of this assignment, Assignor represents to ASLD that the name, address, age, citizenship and marital status of each of the beneficiaries, principals or wards for whom the Assignee will hold title in said instrument are:

and the Assignee identifies the trust or other agreement under which the Assignee will hold title as n/a
n/a or the proper description by reference to book, page and document
 number of file to the instrument, order, decree or other writing, which is of record in the County in which the relative
 land is located in which such matters shall appear is as follows: n/a

(Sign here) DOWLING PETROLEUM, INC.

By: Sam E. Bakke ^{Assignee}
P. O. Box 3846, Midland, Texas 79702

This instrument was acknowledged before me, the undersigned, on the 19th day of April, 1983, by Sam E. Bakke,
its Vice-President.

My Commission Expires March 27, 1934

(SEAL)

Notary
Ginette H. Karabees